

CREDITOR CONTACT LETTER

Address: _____

Date: _____

Re: Account # _____

Dear _____:

Please accept my apology for not contacting you earlier about my account. During the past few months, our financial situation has deteriorated considerably. We realize that the timely payment of debts is a firm obligation on our part; nevertheless, there has been no money to accomplish such payment on a regular basis. I would like to arrange a repayment schedule that will be acceptable to your company and feasible within my budget.

In an effort to alleviate our situation, we are currently working with _____; a budget counselor from _____ Church, whose phone number is _____. Together we have worked out a spending plan which, while reducing the stated rates of debt payment, should provide a long-term means of satisfying all obligations on a scheduled basis.

Attached are the following forms: a Financial Statement, a Debt Computation form and a Monthly Income and Expenses form. The amount we are able to pay you on a monthly basis is _____.

The proposed schedule of payments is predicated upon our continuing at our present job. No increase in income is assumed; however, if this does occur, payments will be increased proportionately. It is my intention to pay every creditor in full. However, this plan requires the cooperation of every creditor. I have made a commitment to using no credit in the future to assure no further indebtedness.

We would appreciate your written acceptance of this plan, as well as any indication of smaller payments, interest and late charge waivers, or principal reductions which would be acceptable to you. If you cannot approve this plan, please direct my letter to someone who has this authority. You may contact me at _____ between _____ o'clock and _____ o'clock.

Thank you for your patience and cooperation.

Sincerely,

ACCEPTANCE _____

Date: _____

Organization: _____

By: _____

Comments: _____

P.S. Please return this signed acceptance to me.

This is given as a sample letter and should be personalized for each counselee's situation.